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Computers: A luxury or a necessity?

Do clients come first in your practice?

Hospital of the Year: Griffith Small Animal Hospital

MARCH 1989

veterinary economics

THE MAGAZINE OF PRACTICE MANAGEMENT AND FINANCE

12 WORST MANAGEMENT MISTAKES

(AND HOW TO AVOID THEM)

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MEMO FROM THE EDITOR

The top 7 reasons to read this issue

1. To strengthen your practice. On page 30, Dr. Ross Clark offers a not-so-funny spin-off of David Letterman's "top 10 lists" as he presents *his* list of the top 12 mistakes veterinarians make in managing their practices. I think you'll be surprised to find that the mistakes are more obvious than earthshattering, but that you'll see the sense in correcting or avoiding all of them.

2. To better serve your clients. At VETERINARY ECONOMICS, we spend a fair amount of time suggesting that you find out what your clients want and then give it to them. In a two-part series that begins on page 38, we'll provide you with the tools to do just that. This month, Dr. Fredric Cantor presents a compelling case for veterinarians who listen to their clients; is it time for you to get off your pedestal, stop the assembly line, or tone down your sales pitch?

3. To "ooh and aah" (and get some good ideas). Hospital of the Year plaques hang in only 22 of the nation's 21,000 veterinary hospitals. That number will climb to 23 after Dr. Robert Griffith receives his plaque during a special presentation at the AAHA convention in April. For a tour of the award-winning Griffith Small Animal Hospital in Austin, Texas, see page 46.

4. To boost referrals. Do clients get what they expect when they come to your hospital? If not, they won't make referrals, and they may do worse: They'll tell people *not* to come to your practice. On page 58, management consultant Bob Levoy explains how to build your practice by bridging the expectations gap and encouraging referrals.

5. To make a decision about computerization. Do you need a computer? Can you *afford* a computer? On page 65, financial editor Owen McCafferty offers some common-sense advice on a matter that every veterinarian in the country is likely to face sooner or later.

6. To help make dentistry a vital part of your practice. Last June, we analyzed why some veterinarians hesitate to offer dentistry—and offered some convincing arguments on why and how this service can help build your practice. This month, five practitioners explain how *you* can convince your clients.

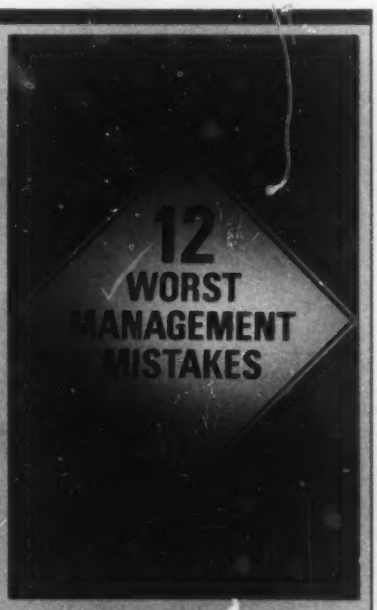
7. The seventh reason to read this issue is, of course, everything else you'll find on its pages. There are articles on the "kiddie tax," investment brokers, euthanasia, and much more. I hope you find the information useful, interesting, and enjoyable, but I'd rather know for sure. Please write with your comments. We rely on your feedback.

Becky Turner

Rebecca R. Turner

CONTENTS

VETERINARY ECONOMICS
MARCH 1989



30 COVER STORY
The 12 worst management mistakes (and how to avoid them)
Join Dr. Ross Clark on his countdown of the top 12 management mistakes made in veterinary practices today. As you make your way to Number 1, take note of the changes you need to make in *your* practice.

38 CLIENT RELATIONS
Do clients come first in your practice?
That depends on the type of practitioner you are. These examples can help you evaluate—and improve—your practice.

46 HOSPITAL DESIGN
Good looks, great hospital
Dr. Robert Griffith wanted his hospital to turn heads, and it did. Our judges found his Austin facility striking enough—inside and out—to call it the Hospital of the Year.

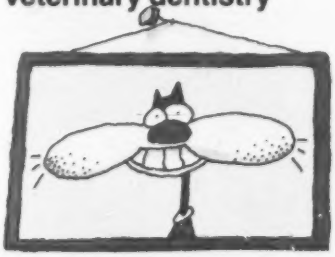
58 CLIENT REFERRALS
Do your clients expect more than they get?
The expectations gap can stand between you and more referrals. Part 2 of our series shows how to identify the gaps—and fill them.

65 EQUIPMENT
Computers: Luxury or necessity?
Can you afford a computer? Only if it will make money for you. These possibilities will help you evaluate your practice's needs.

80 DAIRY PRACTICE
Working with producers to improve bottom-line profits
An AABP award-winner, Dr. Thomas J. Fuhrmann takes his clients on the road to successful *production* medicine.

84 PARTNERSHIP PROFILE
Identifying a niche and a need
Dr. Vicki Thayer first identified a need. Then to keep her fast-growing feline practice on a growth track, she needed a partner.

94 PRACTICE BUILDER
Polish your pitch for veterinary dentistry



Worried your clients won't go for dentistry? These five veterinarians can help you convince clients to care about their animals' teeth.

Picture credits: page 109

DEPARTMENTS

1 Memo from the Editor
5 Forecasts
8 Letters to the Editor
16 Practice Management Q&A
20 Money Management Q&A
104 New for You
110 Classified

10 **Noteworthy**
Why people and pets head West; employee tips and trends; the Morris Award.

22 **Tax Strategies**
Before you prepare your return, prepare yourself for changes in the way your children are taxed.

26 **Investment Ideas**
Dr. Richard D. Conner discusses how to find an investment broker you can trust.

114 **Bull's Eye**
This practitioner asks the question: "What is your euthanasia solution?"

ARCHITECTURAL EXCELLENCE
HOSPITAL
OF THE YEAR

23rd ANNUAL HOSPITAL DESIGN COMPETITION

GOOD LOOKS, GREAT HOSPITAL

Dr. Robert Griffith wanted his hospital to turn heads, and it did. Our judges found his Austin facility striking enough—inside and out—to call it the Hospital of the Year.

By Catherine Lumetta ASSOCIATE EDITOR

"Unbelievable. That is a *real* hospital." These two simple sentences—spoken by a judge at VETERINARY ECONOMICS' 23rd Annual Hospital Design Competition—helped place the Griffith Small Animal Hospital in the winner's circle as the 1988 Hospital of the Year. The hospital is owned by Dr. Robert R. Griffith and located in Austin, Texas.

Nearly seven years out of Colorado State University, Dr. Griffith thinks the win is "pretty unbelievable," too. The 31-year-old doctor practiced in Austin for nearly five years before deciding to start out on his own. Just eight months later, he opened the doors of his award-winning hospital. "I took about eight months off to plan and build this facility, beginning in June of 1987," he says. "We broke ground the following October. The building was finished January 30, and we opened doors February 1."

The Mediterranean look of the Griffith Small Animal Hospital complements local architecture in Austin.

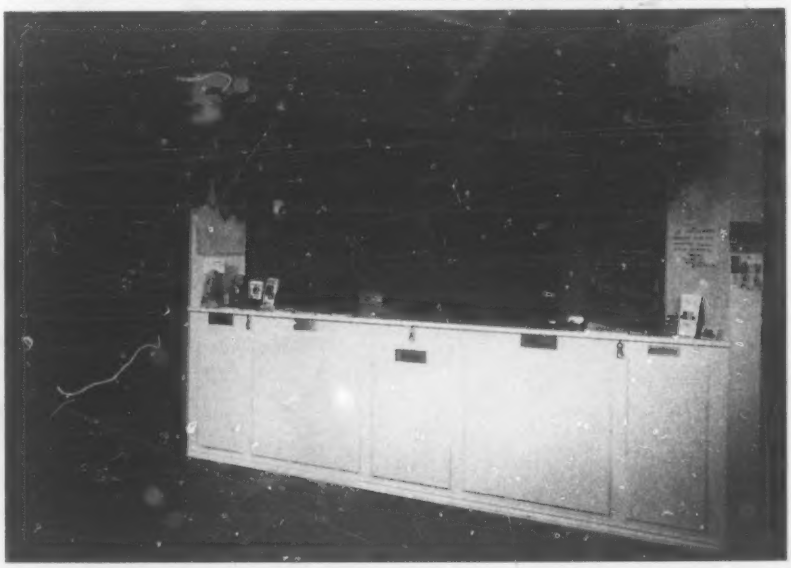
The building went up quickly, Dr. Griffith says, because times were slow for the construction business. "I also had an excellent construction manager, and the company was great," he adds. "Things were kind of hectic right at the end, but I was anxious that my clients wouldn't wait for me. That was one of the reasons I named the hospital after myself—to make it easier for my clients to find me."

The luck of the draw

Dr. Griffith says that luck seemed to follow him during the whole endeavor. When the sight he chose became available, "we snatched it up because everything fit: the zoning was perfect; the location—I couldn't have asked for a better one as far as traffic flow and convenience. We were very lucky to get this site," he says.

Dr. Griffith leases the land, but says he has no fear of losing it. "The land is owned by a trust and they don't want to sell," he explains. "Our site is right in the middle and they didn't want to break up the land. We have a long lease with some options, so I feel comfortable spending money on the clinic."

Veterinary clinics in Austin fall under "local retail" zoning. Although the city gave its OK for the hospital, Dr. Griffith wanted the go-ahead from his potential neighbors as well. "After we discovered that zoning was no problem and we signed the land lease, I met with two neighborhood groups before we broke ground," he says. "I went before them with drawings and all my plans. Once they saw the plans and I told them that there were no outdoor runs and everything was contained, they were very impressed and actually wanted it built."



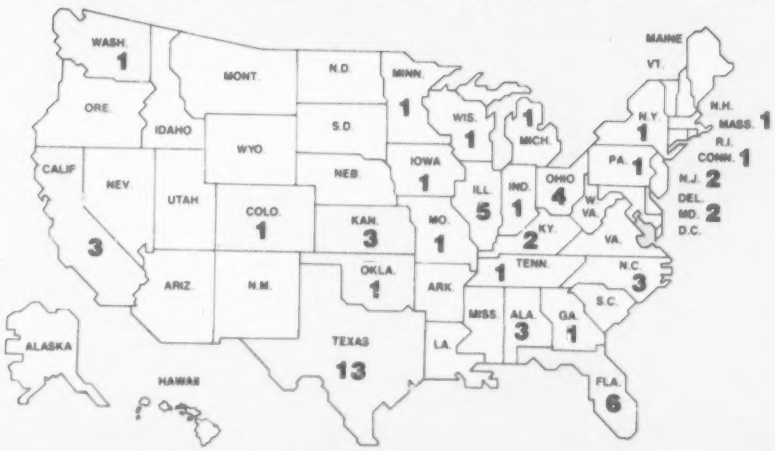
Coat hooks at the reception desk allow clients to free their hands during transactions. Owner Robert R. Griffith, DVM, says clients use them frequently.

Upon recommendation, Dr. Griffith chose Danze and Davis Architects Inc. to design his facility. "They were great people—very efficient," he says. "I told them what I was looking for, and we had already located the land, so they knew what square footage to deal with," he says. "I had picked up ideas from the other clinics where I'd worked, and from back issues of VETERINARY ECONOMICS. I was really pleased with the floor plan the firm came up with."

While not a requirement for AAHA certification, Dr. Griffith says he had the floor plan critiqued by Architect John Knapp through AAHA's architectural review program. "We really didn't have to change much, although he wasn't too keen on all of the space we had alloted for offices," Dr. Griffith says. "We decided to keep all of the space, though, because I wanted the building to be as comfortable as possible for the staff. I'm glad we did, because now when we work 13-hour days, we aren't as tired as we might otherwise be."

Another lucky break, Dr. Griffith says, was that one of AAHA's field representatives was in town soon after the practitioner opened his doors. "He inspected the hospital and we received AAHA certification just a few months after opening," he says. ►

COMPETITION DRAWS FROM FAR AND WIDE



Who entered VETERINARY ECONOMICS' 23rd Annual Hospital Design Competition? The entries came from 27 states and one foreign country, with the largest showings in Texas and Florida. The map above shows the number of entries from each state, but doesn't show the sole international entry from Ontario, Canada. The winners—whose states are highlighted on the map with color—are listed below.

1988 Hospital of the Year

Griffith Small Animal Hospital
Austin, Texas
Small animal freestanding

1988 Merit Award Winners

Amber Oaks Veterinary Hospital
Midwest City, Okla.
Small animal freestanding

Animal Medical Center
Richland, Wash.
Small animal conversion*

Heritage Animal Hospital
San Antonio, Texas
Small animal leasehold*

Humphrey, Giacopuzzi, Cox Equine Hospital
Somis, Calif.
Equine freestanding

Indian Hills Animal Clinic
Wichita, Kan.
Small animal freestanding

Main Street Veterinary Hospital
Lewisville, Texas
Small animal leasehold

Oakwood Veterinary Hospital
Woodbridge, Calif.
Small animal
owner-developed leasehold

Seguin Animal Hospital
Seguin, Texas
Mixed animal freestanding

Southwest Texas Veterinary Medical Center
Uvalde, Texas
Mixed animal freestanding

Table Mountain Veterinary Clinic
Golden, Colo.
Small animal addition/alteration

Westlake Animal Hospital
Tarpon Springs, Fla.
Small animal freestanding

*Designates facility type, not practice type.

Beauty through and through

VETERINARY ECONOMICS' judges say that the building, which fits in well with Austin's Spanish architecture, has "great eye appeal, inside and out." Dr. Griffith says, "I went with a similar Mediterranean look because I personally like it. It has worked out very well because the building blends in with the area architecture just enough, but yet it stands out. This was an empty lot for a long time, so I had to make people look in this direction again."

His plans seem to work. "I'd say we've had a tremendous number of new clients come in because they saw the building—many said they drive by every day—and were impressed," he says. "My location has great traffic flow and is easy to get to because we're near some major thoroughfares in a growing part of Austin."

Dr. Griffith adds that "the building has worked better than I expected in bringing in new clients. I wanted to rely on it as a source of advertising because I hadn't been practicing for eight months. During the first few months, we had a steady inflow of new clients. Now, after 12 months, we have about 1,400 clients."

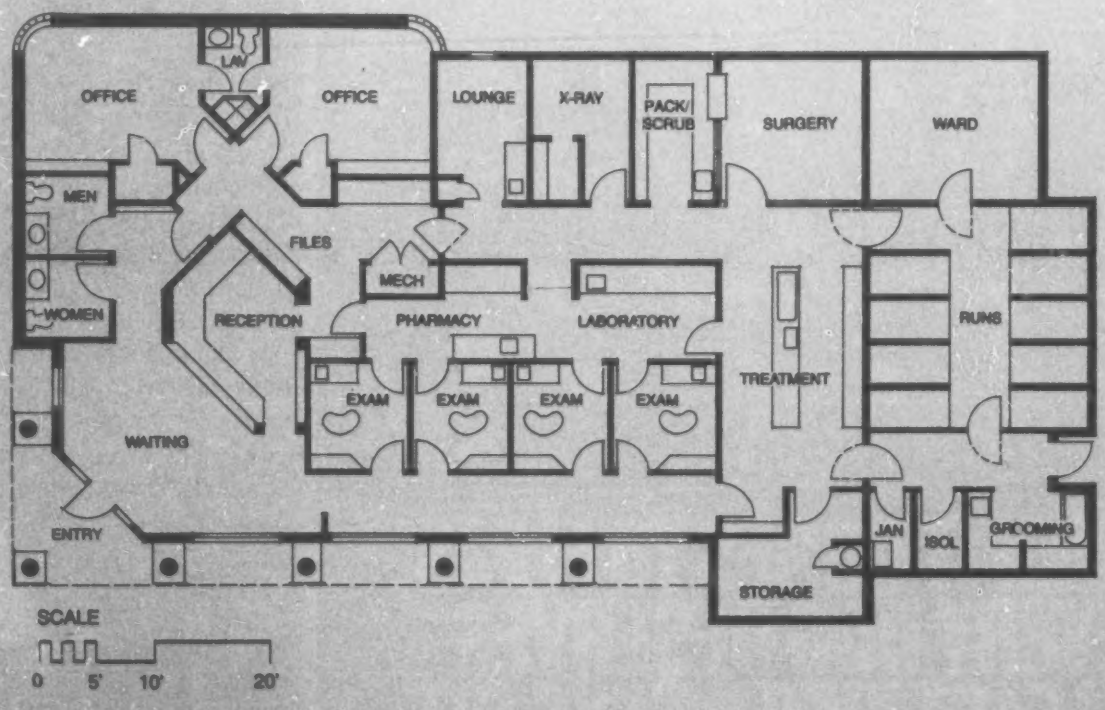
The hospital's interior features a large waiting room and a wide hallway for easy access to exams. Along the corridor are small win-

GRIFFITH SMALL ANIMAL HOSPITAL

Address: 3407 Northland Dr.
Austin, TX 78731
Owner: Robert R. Griffith, DVM
Other DVMs: Susan D. Eakle, DVM
Support staff:
Five full-time, four part-time

Equipment costs: $60,000
Furniture costs: $14,000
Architect:
Danze and Davis Architects Inc.
3807 Spicewood Springs Rd.
Austin, TX 78738

Practice type:
100 percent small animal
Building size: 4,770 square feet
Construction cost: $276,516
($57.97 per square foot)
Site cost: Leased



dows that face west. "They really put out a lot of light," Dr. Griffith says. "We didn't want them too big because too much sun in the Austin summertime can really cause our utility bills to go up."

The hospital design judges questioned one aspect of Dr. Griffith's exam-room design: The "lima bean" exam tables. "I call them 'kidney bean!' " Dr. Griffith laughs. "I love that part of my exam room. The first clinic I worked in had similar exam tables. I made them bigger, with a thicker pole, and also bolted them to the slab so that the linoleum covers the bolts. I'm able to get closer to the animal because of the curve, and can also walk around them easily.

"It's just a nice design—makes the room look a little less like a doctor's office. They're very, very sturdy and covered with a plastic laminate that hides scratches." The judges worried that the tables couldn't accommodate large animals, but Dr. Griffith says he's "put 100-pound shepherds up there and they're comfortable."

A different color scheme in each exam room "breaks up the monotony for staff and for people who come in a lot. The variety didn't add to the cost, either," he says.

A central treatment area gives the staff easy access to all areas of the hospital. Staff members take a short jog through treatment to discharge animals, but Dr. Griffith says that hasn't been a problem. "They take the animals through the door by the janitorial closet, but it's out of traffic flow."

Growing fast

Dr. Griffith says his clients and patients feel more comfortable in his new facility because its decor isn't sterile-looking. "The number-one comment I've heard is that it doesn't look like a veterinary hospital," he says. "I think the animals enjoy it too. They aren't saying that, of course, but the skylights in the wards and runs seem to have been a good idea." Besides providing natural light, the skylights also help his utility bills, Dr. Griffith says.

After one year of practice, Dr. Griffith has discovered only one "problem" with his new facility: "We've grown faster than I ever

Dr. Griffith chose to give the staff plenty of space so long days would be less tiring. The doctors' offices both feature curved glass block windows.

The treatment room features a central island console with a stainless steel tub and rack. Cabinets with glass doors decrease dust accumulation.

THE GOING RATE FOR NEW HOSPITALS

The chart below shows the average construction costs and average cost per square foot of the hospitals entered in the 1987 and 1988 Hospital Design Competitions. The 62 entries in the 1988 competition included these facility types: 33 freestanding, 13 leasehold, one addition, two alterations, seven additions and alterations, four conversions, and two owner-developed leaseholds. In selecting award winners, the four competition judges consider the limitations and advantages of each facility type.

Clinic type	Average construction costs[1]	Average cost per. sq. ft.
Freestanding	$282,605	$ 58
	219,000	59
Leasehold	41,824	22
	61,000	51
Additions	100,000	100
	237,000	70
Alterations	107,678	32
	*	*
Additions/alterations	185,060	49
	*	*
Conversion	148,885	47
	89,000	32
Owner-developed leasehold	244,080[2]	90
	*	*
All projects	202,648	50
	171,000	51

☐ 1988 entries ☐ 1987 entries

[1]Figures compiled from VETERINARY ECONOMICS' Hospital Design Competition entries. Land and equipment costs not included.

[2]Tabulated by multiplying per-square-foot cost of total center by square footage of clinic and adding the cost of the leasehold improvement.

*Not available.

Dr. Griffith says his "kidney-bean" exam tables are very functional.

anticipated, and if I could I would have a bigger business office," he explains. "The reception is becoming crowded, as well as the filing area. Actually I'm *happy* that it's a problem." Dr. Griffith says that during the design phase, spatial constraints restricted him from making these areas larger.

If he had it all to do over again, Dr. Griffith says he might make a few small adjustments, but that he wouldn't change the time he took to plan. "One thing that helped me was taking time off from practicing to devote all my time to planning. If you can do it, you can sure lessen potential mistakes that can happen."

"I think every veterinarian dreams of owning his own hospital," Dr. Griffith concludes. "Of course it has its share of headaches, but I wouldn't trade my hospital for anything." ▶

INTENSE CONCENTRATION, ACTIVE DEBATE: THE JUDGES PICK A WINNER

Few instructions were necessary the day the judges arrived. They took one look at the 62 entries spread on long tables before them, chose stations, and for the next seven hours proceeded to silently pour over the photos, floor plans, and descriptions. After each judge had thoroughly reviewed every entry, the room erupted into activity, the judges gathering and discussing their round-one picks. Their decisions, they say, got more difficult as fewer and fewer entries made it through the various rounds of discussion and debate.

When it was all over, one hospital became Hospital of the Year, and 11 others were named Merit Award winners. Each winner will be on display for *your* inspection in upcoming issues of VETERINARY ECONOMICS. After the winners were chosen, we asked the judges to comment on the quality of the entries and on the trends they detect in veterinary hospital design.

"The overall quality was outstanding. For the most part, plans were what we have come to expect," says Judge Jim Rosenberger, DVM. Dr. Rosenberger and the three other judges reviewed 40 small animal practices, 20 mixed animal practices (only five of which were mixed animal *facilities*), one large animal practice, and one equine practice. Dr. Rosenberger, who has judged the competition since it began in 1965, says that DVMs are beginning to pay attention to what they want in a hospital. "That comes across in quality," he says.

Another testimony to higher standards is the quality the judges perceived in the mixed animal entries. "We used to rarely see a good mixed animal facility," says Dr. Ross Clark, another longtime judge. "Now they have surpassed what we used to call Hospital of the Year."

The judges say that additions and alterations are also planned with more care now. "There seems to be a lot more creative remodeling going on," says Dan Chapel, AIA, of Little Rock, Ark. "In the old days, people would just add two or three exams. Now they buy a sow's ear and really turn it into a silk-purse hospital."

Last year's judges predicted that there would be more freestanding facilities and less leased in this year's competition. But the reverse actually happened. This year's ratio was 53 percent freestanding and 21 percent leased, compared to last year's 59-to-20 ratio. The judges say that practitioners seem to be combining the best of both worlds by acting as their own developers. "Again this year we saw veterinarians developing strip centers to create a good location for their facilities," says Kansas City Architect Jim Marshall. "They can design a leased facility that's as good as a freestanding hospital, and yet they gain the added traffic from being in a complex of buildings. Practitioners looking for a new location should seriously consider this as a financial advantage."

Marshall also comments on the number of women owners who this year made up 30.4 percent of the entrants. "I noticed a trend that we see in the marketplace—an exceptionally large number of female practitioners who, either on their own or in partnership, own their practices. I think it's commendable that veterinary medicine has become more of an equal opportunity profession."

The judges say that the quality product displays found in the entries also reflect current trends in the profession. "I was impressed that people are finally getting a handle on merchandising as it evolves in our profession. We had some quite attractive displays this year that did not distract from the professionalism of the practices as much as I've seen some do in the past," Dr. Clark says.

Perhaps the strongest *criticism* the judges made about the entries concerned poorly designed reception areas. "I think practitioners need to watch how they use their reception areas, particularly those in leased spaces," Dr. Rosenberger says. "They want to be careful not to isolate the receptionist so that she can't function in other ways if necessary, say, if a staff member is out sick."

The judges, shown here pouring over an entry, are (from left): Dan Chapel, AIA; Jim Rosenberger, DVM; Ross Clark, DVM; and Jim Marshall, AIA. ■